

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **May 10, 2005**

AGENDA ITEM NO.: **9**

CONSENT:

REGULAR: **X**

CLOSED SESSION:

ACTION: **X**

INFORMATION:

(Confidential)

ITEM TITLE: FY 2005 Third Quarter Budget Adjustments

RECOMMENDATION:

Conduct a public hearing to amend the FY 2005 Budgets and appropriate funds to implement revenue, expenditure and transfer adjustments as identified on Attachments A, B, C, D and E for the General Fund Operating Budget, the City/Federal/State Aid Fund, the E-911 Special Revenue Fund, the Fleet Services Fund, the City Capital Projects Fund, the School Operating Fund, the Comprehensive Services Act Fund, the Self-Insurance Fund, the Regional Detention Center Fund, the Solid Waste Fund, the Water Fund, and the Sewer Fund.

SUMMARY:

In early March, staff began a review of FY 2005 operating revenues and expenditures of the City's various funds to determine if adjustments were needed prior to the end of the fiscal year. Departments were requested to submit any adjustments that needed to be considered prior to the end of the fiscal year. Likewise, Financial Services staff reviewed projected revenues. Attachments A, B, C, D, and E provide a list of proposed expenditure and revenue adjustments based on a third quarter review.

Adjustments to the FY 2005 General Fund Operating Budget are recommended to appropriate funds from various additional resources to fund (a) Compensation Board adjustments, (b) increased fuel costs, (c) local funds for various Federal and State grants, (c) a worker's compensation claim, (d) return of local funds to the Lynchburg Public Schools, (e) transfer to the City Capital Projects Fund for street overlay, and (f) local contribution for the City Market Lofts.

Adjustments to the City/Federal/State Aid Fund are recommended to adjust the grant budgets equal to the amounts awarded by the state and federal governments.

An adjustment to the E-911 Special Revenue Fund is recommended to appropriate funds from the Designated Fund Balance for Equipment Replacement for an emergency generator.

An adjustment to the Fleet Services Fund is recommended to reflect additional revenue from the sale of miscellaneous vehicles and equipment, liquidated damages in the purchase of fire engines, and transfers from other funds for the increased cost of fuel that is paid by the Fleet Services Fund. A second adjustment is recommended to appropriate funds for the increased fuel costs.

An adjustment to the City Capital Projects Fund is recommended to appropriate the balance of the General Fund Reserve for Streets and Bridges to the Street Overlay Program.

Adjustment to the FY 2005 School Operating Fund is recommended to appropriate funds unspent in FY 2004 that were returned to the General Fund. This appropriation is consistent with the agreement dated December 14, 1993 between the City Council and the Lynchburg School Board for the creation and maintenance of a school operating fund balance for the "purpose of underwriting any occasional shortfalls from the various budgetary categories of direct State funding support as well as other applications, all based upon the required expenditure approval of the School Board." In addition to the adjustment for the return of unexpended FY 2004 funds, it is also recommended that the School Operating Fund be adjusted by appropriating unexpended lease purchase proceeds and the additional FY 2004 School Operating Undesignated Fund balance. These

adjustments would provide funding for (a) acquisitions funded by lease purchase proceeds (b) band uniforms for E.C. Glass, (c) a salary study, (d) a transfer to the School Capital Projects Fund for a portion of the Heritage Athletic Fields project, and (e) an unallocated balance.

Adjustments to the Comprehensive Services Act Fund (CSA) are recommended to fund the deficit in this fund caused by extraordinary expenses mandated by the State for several children by using Revenue Maximization funds, a contribution from the Schools and a transfer from the General Fund to balance both FY 2004 and FY 2005 CSA expenditures.

An adjustment to the Regional Detention Center Fund is recommended to fund a worker's compensation claim with a transfer from the General Fund.

An adjustment to the Solid Waste Fund is recommended for use of fund balance to cover additional fuel costs.

An adjustment to the Water Fund is recommended for use of fund balance to cover additional fuel costs.

An adjustment to the Sewer Fund is recommended for use of fund balance to cover additional fuel costs.

PRIOR ACTION(S): Adoption of the FY 2005 Operating Budget: June 8, 2004
City Council Work Session: April 12, 2005

BUDGET IMPACT:

Resources of \$4,948,251 and expenditures and transfers of \$4,388,354 be appropriated to the General Fund; resources and expenditures of \$367,324 be appropriated to the City/Federal/State/Aid Fund; resources and expenditures of \$20,515 be appropriated to the E-911 Special Revenue Fund; resources and expenditures of \$340,662 be appropriated to the Fleet Services Fund; resources and expenditures of \$250,000 be appropriated to the City Capital Projects Fund; resources and expenditures of \$4,488,411 be appropriated to the School Operating Fund; resources and expenditures of \$1,312,455 be appropriated to the Comprehensive Services Act Fund; resources and expenditures of \$75,353 be appropriated to the Detention Fund; resources and expenditures of \$2,795 be appropriated to the Solid Waste Fund; resources and expenditures of \$6,665 be appropriated to the Water Fund; resources and expenditures of \$7,632 be appropriated to the Sewer Fund.

CONTACT(S): Donna Witt, Assistant Director for Financial Services 455-3968
Michael Hill, Director for Financial Services 455-4220

ATTACHMENT(S):

Attachment A: FY 2005 Third Quarter General Fund Summary

Attachment B: FY 2005 Third Quarter Summary by Fund

Attachment C: FY 2005 Third Quarter Revenue/Other Resource Adjustments

Attachment D: FY 2005 Third Quarter General Fund Revenue Adjustments

Attachment E: FY 2005 Third Quarter Expenditure Adjustments

REVIEWED BY:

Ordinance:

BE IT ORDAINED that the FY 2005 budget is amended and that there be appropriated from the funds and resources of the City of Lynchburg the sums for the General Fund as identified on the FY 2005 General Fund Third Quarter Summary by Fund;

BE IT FURTHER ORDAINED that the FY 2005 budget is amended and that there be appropriated from the funds and resources of the City of Lynchburg the sums for the City/Federal/State Aid Fund as identified on the FY 2005 Third Quarter Summary by Fund;

BE IT FURTHER ORDAINED that the FY 2005 budget is amended and that there be appropriated from the funds and resources of the City of Lynchburg the sums for the E-911 Special Revenue Fund as identified on the FY 2005 Third Quarter Summary by Fund;

BE IT FURTHER ORDAINED that the FY 2005 budget is amended and that there be appropriated from the funds and resources of the City of Lynchburg the sums for the Fleet Services Fund as identified on the FY 2005 Third Quarter Summary by Fund;

BE IT FURTHER ORDAINED that the FY 2005 budget is amended and that there be appropriated from the funds and resources of the City of Lynchburg the sums for the City Capital Projects Fund as identified on the FY 2005 Third Quarter Summary by Fund;

BE IT FURTHER ORDAINED that the FY 2005 budget is amended and that there be appropriated from the funds and resources of the City of Lynchburg the sums for the School Operating Fund as identified on the FY 2005 Third Quarter Summary by Fund.

BE IT FURTHER ORDAINED that the FY 2005 budget is amended and that there be appropriated from the funds and resources of the City of Lynchburg the sums for the Comprehensive Services Act Fund as identified on the FY 2005 Third Quarter Summary by Fund.

BE IT FURTHER ORDAINED that the FY 2005 budget is amended and that there be appropriated from the funds and resources of the City of Lynchburg the sums for the Regional Detention Center Fund as identified on the FY 2005 Third Quarter Summary by Fund.

BE IT FURTHER ORDAINED that the FY 2005 budget is amended and that there be appropriated from the funds and resources of the City of Lynchburg the sums for the Solid Waste Fund as identified on the FY 2005 Third Quarter Summary by Fund.

BE IT FURTHER ORDAINED that the FY 2005 budget is amended and that there be appropriated from the funds and resources of the City of Lynchburg the sums for the Water Fund as identified on the FY 2005 Third Quarter Summary by Fund.

BE IT FURTHER ORDAINED that the FY 2005 budget is amended and that there be appropriated from the funds and resources of the City of Lynchburg the sums for the Sewer Fund as identified on the FY 2005 Third Quarter Summary by Fund.

Introduced: May10, 2005

Adopted:

Certified:

Clerk of Council

	Actual FY 2004	Adopted FY 2005	Amended FY 2005	Third Quarter Review Rev Est FY 2005
UNDESIGNATED BEGINNING BALANCE	\$15,111,201	\$12,665,099	\$12,665,099	\$16,745,766
FY 2004 encumbrance funding		\$0	\$916,080	\$916,080
Funding from prior year carry forward reserve		354,000	354,000	354,000
Designated FY 2004 Return of School Funding		0	0	1,990,784
Use of Designated Fund Balance - James T. Davis Lofts		0	0	952,061
Use of Designated Fund Balance - Streets & Bridges		0	0	250,000
Use of Designated Fund Balance - Court Facilities		0	0	0
UNDESIGNATED BEGINNING BALANCE		\$13,019,099	\$13,935,179	\$21,208,692
REVENUES & USE OF FUND BALANCE				
REVENUES				
Non-dedicated Revenue	\$98,099,711	\$103,150,857	\$103,150,857	\$104,303,288
Dedicated Revenue	43,352,888	24,021,977	24,504,545	25,107,521
TOTAL REVENUES	\$141,452,599	\$127,172,834	\$127,655,402	\$129,410,808
EXPENDITURES				
Operating - Departmental	\$75,288,407	\$72,059,926	\$75,812,651	\$76,386,816
Operating - Non-Departmental	8,817,481	9,757,858	8,014,345	9,031,892
Transfers To Other Funds	3,471,157	2,974,600	3,377,090	4,182,948
Debt Service - General Fund	7,469,108	5,559,992	5,635,592	5,635,592
Schools - Operations	26,005,227	29,027,293	29,027,293	31,018,077
Schools - Debt Service	14,218,593	5,412,773	5,412,773	5,412,773
Reserves				
Snow, Streets & Bridges	500,000	250,000	250,000	0
Funding for future year-Carry forward	354,000	0	0	0
Contingencies	0	800,000	924,122	924,122
TOTAL EXPENDITURES	\$136,123,973	\$125,842,442	\$128,453,866	\$132,592,220
TRANSFER TO CAPITAL FUNDS				
City Capital Projects Fund	\$3,694,061	\$1,626,835	\$1,806,435	\$1,806,435
TOTAL TRANSFER TO CAPITAL	\$3,694,061	\$1,626,835	\$1,806,435	\$1,806,435
TOTAL EXPENDITURES, RESERVES & TRANSFERS	\$139,818,034	\$127,469,277	\$130,260,301	\$134,398,655
FUND BALANCE	\$16,745,766	\$12,722,656	\$11,330,280	\$16,220,845
REMAINING FUND BALANCE	\$16,745,766	\$12,722,656	\$11,330,280	\$16,220,845
Designated Fund Balance*	\$3,362,664			\$419,819
TOTAL FUND BALANCE	\$20,108,430			\$16,640,664

FY 2005 Amended Budget as of March 31, 2005

FY 2005 Third Quarter beginning fund balance represents the audited June 30, 2004 fund balance figure.

	Actual FY 2004	Third Quarter Review Rev Est FY 2005
Designated Fund Balance*		
Return of FY 2004 School Operating Fund	\$1,990,784	\$0
Court Facilities	224,819	224,819
James T. Davis Lofts	452,061	0
Downtown Development-James T. Davis Lofts	500,000	0
Health Insurance	195,000	195,000
Designated Fund Balance	\$3,362,664	\$419,819

Third Quarter Adjustments from March 31, 2005 Amended Budget

Departmental	\$574,165
Non Departmental	65,486
James T. Davis Lofts/Non Departmental	952,061
Schools/Operating Transfer	1,990,784
Streets & Bridges/Reserves Transfers	250,000
Transfers	555,858
Increase in Amended Budget with Third Quarter Adjustments	\$4,388,354

THIRD QUARTER SUMMARY BY FUND

Attachment B

<u>Fund</u>	<u>Revenues/ Resources</u>	<u>Expenditures</u>	<u>Net</u>
General Fund	4,948,251	4,388,354	559,897
City/Federal/State Aid Fund	367,324	367,324	0
E-911 Special Revenue Fund	20,515	20,515	0
Fleet Services Fund	340,232	340,232	0
City Capital Projects Fund	250,000	250,000	0
School Operating Fund	4,488,411	4,488,411	0
Comprehensive Services Act Fund	1,312,455	1,312,455	0
Regional Detention Center Fund	75,353	75,353	0
Solid Waste Fund	2,795	2,795	0
Water Fund	6,665	6,665	0
Sewer Fund	7,632	7,632	0

THIRD QUARTER REVENUE/ OTHER RESOURCE ADJUSTMENTS

Attachment C

GENERAL FUND

<u>Department/Division</u>	<u>AMOUNT</u>	<u>TOTAL</u>	<u>PURPOSE</u>
Increase in General Fund Revenues		1,185,008	See Attachment C
Commonwealth Attorney		65,435	Compensation Board Equipment Funding
Sheriff		50,141	Compensation Board Salary Increases
Human Services:			
Federal Pass Thru: Indirect Cost Reimbursement		64,467	Additional Funding
Social Services State Admin 0901 - Human Services	156,655		Additional Funding from the State
Social Services Federal Admin 0901 - Human Services	20,861		Additional Funding from Federal Government
	<u>177,516</u>	177,516	
Virginia Initiative for Employment not Welfare (VIEW)		214,743	Additional Funding for VIEW
Fraud Free Program	(3,359)		Less funding from Federal Government
	<u>(7,545)</u>		Less funding from State
	(10,904)	(10,904)	
Opportunity House (Residential Home for males)	(60,000)		Reduction in Revenue based on number in program
Single Point of Entry	29,000		Additional Revenue based on number in program
SPARC House (Residential Home for females)	40,000		Additional Revenue based on number in program
	<u>9,000</u>	9,000	
		<u>\$1,755,406</u>	
<u>Other Resources</u>			
FY 2004 Designated Fund Balance for Schools	1,990,784		
Downtown Reserve-City Market Lofts	952,061		Appropriate to distribute
Public Works - Streets Reserve	250,000		Reserve for Street & Bridges
	<u>3,192,845</u>	<u>\$3,192,845</u>	
General Fund Revenue/Other Resources Totals		<u><u>\$4,948,251</u></u>	

THIRD QUARTER REVENUE/ OTHER RESOURCE ADJUSTMENTS

Attachment C

CITY/FEDERAL/STATE AID FUND

<u>Department/Division</u>	<u>AMOUNT</u>	<u>TOTAL</u>	<u>PURPOSE</u>
Domestic Violence Grant - Commonwealth Attorney		(17,902)	Adjustment to Grant Award
Victim/Witness Grant - Commonwealth Attorney		(7,470)	Adjustment to Grant Award
FY 2004 Fire Programs - Fire		9,914	Adjustment to Grant Award
Bulletproof Vest Program - Police		30,770	Adjustment to Grant Award
Community Corrections Grant - Community Corrections		31,875	Appropriate Grant Award
Respite Program - Human Services		(4,571)	Adjustment to Grant Award
Energy Grant - Human Services		3,314	Adjustment to Grant Award
Temporary Aid to Needy Families (TANF) - Human Services		170,079	Adjustment to Grant Award
Independent Living - Human Services		1,871	Adjustment to Grant Award
Safe and Stable Families - Human Services		3,792	Federal adjustment to grant
		(5,629)	State adjustment to grant
		(1,994)	Local - From General Fund
Foster Parent Recruiter - Human Services		(2,270)	Federal adjustment to grant
		(757)	Local - From General Fund
Revenue Maximization Designated Fund Balance		151,876	Included in FY 2005 CSA but not as transfer from City/Federal/State Aid Fund
Education Grant - Human Services		4,426	Adjust to Grant Award
City/Federal/State Aid Fund Revenue Totals		<u>\$367,324</u>	Excess Revenues over Expenses is for General Fund Transfer to reconcile old Police and Human Services grants (\$100,661)

E-911 SPECIAL REVENUE FUND

Appropriate from Designated Fund Balance-Equipment Replacement funds to purchase and install a generator and HVAC system at the Central Virginia Criminal Justice Academy for emergency operation should primary 911 center be evacuated.

\$20,515

THIRD QUARTER REVENUE/ OTHER RESOURCE ADJUSTMENTS

Attachment C

FLEET FUND	<u>AMOUNT</u>	<u>TOTAL</u>	<u>PURPOSE</u>
		96,750	Liquidated damages for fire engines to fund vehicle replacements
		109,545	FY 2005 auction proceeds to fund vehicle replacements
	89,763		Transfer from General Fund for Fuel Purchases
	2,795		Transfer from Solid Waste Fund for Fuel
	6,665		Transfer from Water Fund for Fuel
	7,632		Transfer from Sewer Fund for Fuel
	215		Transfer from CDBG for Fuel
	<u>107,070</u>	<u>107,070</u>	
		26,867	Additional auction revenue that was not included in last carryforward to be used for vehicle replacements
Fleet Fund Revenue Totals		<u><u>\$340,232</u></u>	
CITY CAPITAL PROJECTS FUND			
Transfer from General Fund for Street Overlay		<u><u>\$250,000</u></u>	From Reserve for Streets and Bridges
SCHOOL OPERATING FUND			
	997,627		School Operating Fund Balance
	1,990,784		Transfer from General Fund Designated Fund Balance
	1,500,000		Lease/Purchase Proceeds
School Operating Fund Revenue Totals		<u><u>\$4,488,411</u></u>	
COMPREHENSIVE SERVICES ACT FUND			
	548,600		FY 2004 Additional State Revenue
	185,260		FY 2004 Transfer from General Fund
	329,539		FY 2005 Additional State Revenue
	48,000		FY 2005 School Contribution
	201,056		FY 2005 Transfer from General Fund
Comprehensive Services Act Fund Totals		<u><u>\$1,312,455</u></u>	

**THIRD QUARTER REVENUE/
OTHER RESOURCE ADJUSTMENTS**

Attachment C

<u>Department/Division</u>	<u>AMOUNT</u>	<u>TOTAL</u>	<u>PURPOSE</u>
Regional Detention Center Fund Use of Fund Balance		\$75,353	Transfer from General Fund for Worker's Compensation
Solid Waste Fund Use of Fund Balance		\$2,795	Transfer to Fleet Fund for Fuel Purchases
Water Fund Use of Fund Balance		\$6,665	Transfer to Fleet Fund for Fuel Purchases
Sewer Fund Use of Fund Balance		\$7,632	Transfer to Fleet Fund for Fuel Purchases

FY 2005 Third Quarter General Fund Revenue Adjustments

<i>Revenue Detail</i>	Amended FY 2005	Third Quarter Revised FY 2005	Third Quarter Revenue Adjustments
NON-DEDICATED REVENUE			
General Property Taxes			
Current Real Property	\$35,155,681	\$35,561,520	\$405,838
Real Property Tax Relief Program	(516,272)	(516,272)	0
Real Property Housing Rehab Program	(334,980)	(334,980)	0
Allowance for Uncollectible Real Property	(703,338)	(694,205)	9,133
Delinquent Real Property Taxes	800,000	800,000	0
Current Public Service Corporation (PSC)	2,510,286	2,462,519	(47,767)
Delinquent Tax -PSC	0	430	430
Current Personal Property-Local portion	11,466,298	10,817,127	(649,170)
Delinquent Personal Property Tax	300,000	350,000	50,000
Allowance for Uncollectible Personal Property	(81,680)	(83,748)	(2,068)
Recovery of Charged off taxes	5,200	5,200	0
Penalty/Interest Delinquent Tax-PSC	0	1,000	1,000
Penalty on Delinquent Tax	506,788	506,788	0
Interest on Delinquent Tax	155,680	190,000	34,320
Penalty on Demolition Billings on Real Property	1,000	1,200	200
Interest Demolition Billings on Real Property Billings	8,000	8,000	0
Penalty on Weed Billings on Real Property	500	500	0
Interest on Weed Billings on Real Property	50	200	150
Total General Property Taxes	\$49,273,213	\$49,075,279	(\$197,934)
Other Local Taxes			
Local Sales Tax	11,469,564	\$12,053,107	\$583,543
Utility Consumption Tax Electric	3,564,558	3,658,599	94,041
Utility Consumption Tax Gas	728,824	651,691	(77,133)
Utility Tax Telephone	1,239,196	1,760,752	521,556
Utility Tax Cellular	1,198,104	875,269	(322,835)
Right of Way Fees	320,000	320,000	0
Business Licenses	6,096,510	6,526,231	429,721
Allowance for Uncollectible Business License	0	(186,725)	(186,725)
Electric Consumption Tax	300,000	302,575	2,575
Gas Consumption Tax	37,366	39,326	1,960
Delinquent Business License	45,000	325,000	280,000
Penalty on Business License	30,000	32,000	2,000
Franchise License Tax Cablevision	550,000	560,000	10,000
Franchise License Tax MCI	4,027	4,027	0
Franchise License Tax Sprint	500	500	0
Motor Vehicle Licenses	1,549,057	1,549,057	0
Bank Stock Taxes	585,133	545,063	(40,070)
Recordation Taxes - City	350,000	425,000	75,000
Probate Taxes	23,000	23,000	0
Tobacco Taxes	1,202,106	1,000,000	(202,106)
Amusement Taxes	392,000	392,000	0
Penalty/Interest-Amusement Tax	2,000	2,000	0
Lodging Taxes	1,270,000	1,447,000	177,000
Penalty/Interest-Lodging Tax	2,000	2,000	0
Meal Tax	8,388,777	8,524,736	135,959
Penalty/Interest-Meals Tax	30,000	30,000	0
Total Other Local Taxes	\$39,377,722	\$40,862,208	\$1,484,486

Revenue Detail	Amended FY 2005	Third Quarter Revised FY 2005	Third Quarter Revenue Adjustments
<u>Permits, Privilege Fees and Licenses</u>			
Animal Licenses	10,000	\$10,000	\$0
Bicycle Licenses	200	330	130
Permit Parking Fees	2,000	2,000	0
Land Disturbing Fees	25,000	28,000	3,000
Excavation Fees	5,000	5,000	0
Transfer Fees	2,000	2,300	300
Zoning Fees-Inspections	2,400	1,000	(1,400)
Legal Notice Advertising	600	1,200	600
Site Plans - Planning	17,000	17,000	0
Building Plan Review	55,000	25,000	(30,000)
Conditional Use Permits	3,000	5,000	2,000
Re - Zoning Fees-Planning	3,500	4,000	500
Subdivision Plats	10,000	16,000	6,000
Inspection Permit Fee Building	509,021	350,000	(159,021)
Inspection Permit Fee Signs	8,625	8,625	0
Demolition Fees	0	7,000	7,000
False Alarm Service Assessment	75,000	30,500	(44,500)
Rental Inspection Fee (Re-Inspection)	0	100	100
Alarm Permit Fees	50,000	50,000	0
Concealed Weapons Permits	4,200	4,500	300
Taxicab Application Fees	6,000	4,500	(1,500)
Elevator Permits	21,000	21,000	0
Elevator Administration Fee Penalty & Interest	0	200	200
Precious Metal Permits	800	600	(200)
Miscellaneous Permits Fees Licenses	2,500	1,000	(1,500)
Total Permits, Privilege Fees and Licenses	\$813,086	\$594,855	(\$218,231)
<u>Fines & Forfeitures</u>			
Court Fines and Forfeitures	400,000	\$400,000	\$0
Criminal Court Fees	20,000	20,000	0
Parking Fines	130,000	100,000	(30,000)
Total Fines & Forfeitures	\$550,000	\$520,000	(\$30,000)
<u>Revenue from Use of Money and Property</u>			
Interest on Investments	300,000	\$370,000	\$70,000
Interest -City Capital	0	23,000	23,000
Interest-School Capital	0	1,000	1,000
Interest-School Operating	0	35,000	35,000
Interest - AIM City Capital	190,000	52,000	(138,000)
Interest -AIM School Capital	18,921	70,000	51,079
General Government Property Rent	269,334	227,712	(41,622)
Public Safety Property Rent	30,464	30,464	0
Public Works Property Rent	6,000	6,000	0
Human Service Property Rent	100,000	100,000	0
Cultural & Recreation Property Rent	15,071	15,071	0
Prop Rental Stadium	8,000	8,000	0
Prop Rental Market	90,000	90,000	0
Total Revenue from Use of Money and Property	\$1,027,790	\$1,028,247	\$457

Revenue Detail

	Amended FY 2005	Third Quarter Revised FY 2005	Third Quarter Revenue Adjustments
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Charges for Services

Collection & Tax Lien Fees	45,000	\$40,000	(\$5,000)
Payroll Deduction Fees	9,500	9,500	0
Sheriff's Fee \$5 Courtroom Services	39,000	40,000	1,000
Fees for Court Officers	7,244	7,244	0
Non Consecutive Jail Fee	1,600	1,600	0
Probation Supervisor Fee	0	14,000	14,000
Commonwealth Attorney Fees	3,700	3,700	0
Fire Prevention Fees	1,850	1,850	0
Ambulance Service Fees	1,633,727	1,633,727	0
Recovery of Delinquent Ambulance Fees	85,000	85,000	0
Criminal Records Check	4,500	4,500	0
Curb & Gutter Charges	0	6,000	6,000
Swimming Pool Fees	25,000	25,000	0
Sale of Land books	0	500	500
Sale of GIS Products	4,000	7,000	3,000
Charges for Demolition	20,000	20,000	0
Total Charges for Services	\$1,880,121	\$1,899,621	\$19,500

Miscellaneous

Payment in Lieu of Tax-Westminster	52,759	\$54,659	\$1,900
Blue Ridge Jail Refund	260,000	520,612	260,612
Payment in Lieu of Tax-LRHA	40,000	40,000	0
Credit Card Rebate	0	27,000	27,000
Sale-Salvage/Library Revenue	3,000	3,000	0
Miscellaneous Revenue	70,000	70,000	0
Total Miscellaneous	\$425,759	\$715,271	\$289,512

Revenue from the Commonwealth**State Non-Categorical Aid**

ABC Profits	82,000	\$38,263	(\$43,737)
Wine Taxes	78,000	40,107	(37,893)
Rolling Stock Taxes	74,886	70,453	(4,433)
Mobile Home Titling Taxes	5,000	5,000	0
House Bill 599	2,625,838	2,625,838	0
Deeds of Conveyance	110,000	110,000	0
Recordation Taxes -FY 05 State projection	202,410	180,000	(22,410)
Auto Rental Tax-DMV	134,000	134,000	0
Liquidated damages-Overweight vehicles-DMV	3,500	5,000	1,500
Personal Property-State FY 2005 TY 2004	6,438,137	6,351,001	(87,137)
Allowance for Uncollectible Personal Property	(190,586)	(195,411)	(4,826)
Personal Property-State FY 2004 TY 2003	167,974	167,974	0
Personal Property-State FY 2003 TY 2002	52,582	52,582	0
Personal Property -State FY 2002 TY 2001	13,632	15,000	1,368
Personal Property -State FY 2001 TY 2000	5,792	6,000	208
Personal Property -State FY 2000 TY 1999	0	2,000	2,000
Total State Non-Categorical Aid	\$9,803,166	\$9,607,806	(\$195,359)

TOTAL NON DEDICATED REVENUES

\$103,150,857	\$104,303,288	\$1,152,431
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Revenue Detail**DEDICATED REVENUE****Amended
FY 2005****Third Quarter
Revised
FY 2005****Third Quarter
Revenue
Adjustments****Charges for Services**

Network Engineer-Schools Share	86,082	\$86,082	\$0
Excess Fees for Clerk of Court	70,000	75,419	5,419
Document Reproduction Costs	16,000	12,000	(4,000)
Legal Service Charges	24,000	20,000	(4,000)
Police - Schools DARE Program	103,503	103,503	0
Engineering Service Charge	258,818	258,818	0
Debt funded Charges	260,000	260,000	0
Building Maintenance - Other	20,071	20,071	0
CSA Service Providers	199,380	199,380	0
Local Reimb-Day Services	2,000	2,000	0
Local Reimb-Crossroads/Single Point of Entry	131,000	131,000	0
Local Reimb-Sparc House	160,000	160,000	0
Local Reimb-Opportunity	120,000	120,000	0
Library Fines and Fees	65,500	65,500	0
Lost/Damaged Library Property	13,000	13,000	0
CDBG Administration Charges	73,148	73,148	0
PIER Outside Contract Agreements	21,000	21,000	0
PIER Internal Contract Agreements	52,500	52,500	0
Delta Outreach Counties	234,370	234,370	0
Total Charges for Services	\$1,910,372	\$1,907,791	(\$2,581)

Miscellaneous Revenue

Indirect Costs & Services-Solid Waste	642,611	\$642,611	\$0
Indirect Costs & Services-Water	987,031	987,031	0
Indirect Costs & Services-Sewer	392,959	392,959	0
Indirect Costs & Services-WWTP	569,317	569,317	0
Indirect Costs & Services-Airport	82,530	82,530	0
Indirect Costs & Services-Detention Home	213,919	213,919	0
Friends of Lynchburg Library	14,000	14,000	0
Special Welfare Recoup	50,340	50,340	0
Reimb-Point of Honor Carriage House	37,484	37,484	0
Digg's Trust	18,000	18,000	0
Total Miscellaneous Revenue	\$3,008,191	\$3,008,191	\$0

Revenue from the Commonwealth**State Categorical Aid-State Shared Expenditures**

Commissioner of the Revenue	157,648	\$157,648	\$0
Treasurer	98,400	98,400	0
Registrar/Electoral Board	40,442	46,497	6,055
Clerk of Court	424,039	424,039	0
Sheriff	1,017,007	1,017,007	0
Commonwealth Attorney	690,885	690,885	0
Medical Examiner Fees	1,200	1,200	0
Total Categorical Aid-State Shared Expenditures	\$2,429,621	\$2,435,676	\$6,055

Revenue Detail

DEDICATED REVENUE

Amended
FY 2005Third Quarter
Revised
FY 2005Third Quarter
Revenue
AdjustmentsIntergovernmental:State Categorical Aid

Juvenile Correction-Block Grant	346,184	\$346,184	\$0
Recovery-E911 Wireless	195,551	227,308	31,757
Highway Maintenance	6,418,168	6,437,180	19,012
Social Services Administration State	569,299	569,299	0
Social Services Program State	1,906,975	1,906,975	0
Decrease in SS	(55,076)	(55,076)	0
Fraud Free Administration State	21,629	21,629	0
VIEW Administration State	469,909	469,909	0
Human Service Lease	110,000	110,000	0
State Reimbursement Comm Street B&G	18,600	18,600	0
Financial Assistance-Public Library	189,832	184,147	(5,685)
Total State Categorical Aid	\$10,191,071	\$10,236,155	\$45,084

Intergovernmental:Federal Categorical Aid Pass Thru

Emergency Service/Prepared	13,718	\$7,738	(\$5,980)
Federal Pass Thru Social Service Administration	2,737,348	2,737,348	0
HS Adm-	(108,564)	(108,564)	0
Federal Pass Thru Fraud Free	21,629	21,629	0
Federal Pass Thru Social Service Programs	2,052,667	2,052,667	0
Federal Pass Thru VIEW Administration	654,004	654,004	0
Federal Pass Thru Commerce Street B & G Reimb	16,400	16,400	0
Indirect Cost Reimbursement	155,135	155,135	0
Total Federal Categorical Aid Pass Thru	\$5,542,337	\$5,536,357	(\$5,980)

Interfund Transfers

Proceeds from Bonds	418,337	\$418,337	\$0
Law Library Services	26,150	26,150	0
Trash Tag System	142,855	142,855	0
Transfer from CFSA -Revenue Max FY 2005	608,863	608,863	0
Transfer from CFSA - Outreach Mmgt fee	10,000	0	(10,000)
Transfer from Tech Fund	25,000	25,000	0
Transfer from Recreation	503	503	0
Transfer from Donations-Close fund	38,728	38,728	0
Transfer from Water Fund	3,123	3,123	0
Transfer from Sewer Fund	44,394	44,394	0
Transfer for E911 loan	105,000	105,000	0
Total Interfund Transfers	\$1,422,953	\$1,412,953	(\$10,000)

TOTAL DEDICATED REVENUES

\$24,504,545	\$24,537,123	\$32,578
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TOTAL GENERAL FUND REVENUES

\$127,655,402	\$128,840,410	\$1,185,008
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Third Quarter New Revenues

\$570,398	\$570,398
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Funding from Designated Fund Balance

\$3,192,845

Total Resources/Revenue Available for Third Quarter Adjustment

\$129,410,808	\$4,948,251
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THIRD QUARTER EXPENDITURE ADJUSTMENTS

Attachment E

GENERAL FUND

<u>Department/Division</u>	<u>AMOUNT</u>	<u>TOTAL</u>	<u>PURPOSE</u>
Commonwealth Attorney		65,435	Compensation Board Equipment Funding
Sheriff		50,141	Compensation Board Salary Increases
Non-Departmental-GLTC ¹		39,919	Additional funding for diesel fuel and vehicle maintenance
Non-Departmental-Health Department ¹		25,567	City allocation for cooperative health dept. budget
Electoral Board ¹		2,888	Additional staffing needed for 2004 Presidential Election
Electoral Board ¹		15,890	Primaries to be held 6/14/05 for Governor, Lt. Gov. and Attorney General
Transfer to Fleet Fund ¹		89,763	Budget shortage for fuel purchases
Transfer to Detention Fund		75,353	Worker's Compensation
Human Services - VIEW Program		190,000	Expenditures related to additional funding
Human Services - Social Service Programs		252,563	Expenditures related to additional State and Federal funding
Transfer to City/Federal/State Aid Fund - Human Services		4,426	Local match needed for Education Grant
Transfer to Comprehensive Services Act ¹	185,260		Increase local match for FY 2004 to resolve outstanding bills paid after the end of the fiscal year
Transfer to Comprehensive Services Act ¹	<u>201,056</u>		Increase local match for FY 2005 due to higher than anticipated expenditures
	386,316	386,316	
Safe and Stable Families - Human Services		(1,995)	Reduce Transfer
Foster Parent Recruiter - Human Services		(757)	Reduce Transfer
		<u>1,195,509</u>	
Expenditure Adjustments Previously Funded			
Transfer to Schools (FY 2004 Designated Fund Balance)	1,990,784		
Transfer to City Capital Projects Fund-Street Overlay (Public Works-Streets)	250,000		Appropriate Reserve for Streets and Bridges
Downtown Reserve- City Market Lofts	<u>952,061</u>		Appropriate to distribute
		<u>3,192,845</u>	
General Fund Expenditure Total		<u>\$4,388,354</u>	

¹ No related revenue for funding

THIRD QUARTER EXPENDITURE ADJUSTMENTS

Attachment E

CITY/FEDERAL/STATE AID FUND

<u>Department/Division</u>	<u>AMOUNT</u>	<u>TOTAL</u>	<u>PURPOSE</u>
Domestic Violence Grant - Commonwealth Attorney		(17,902)	Adjustment to Grant Award
Victim/Witness Grant - Commonwealth Attorney		(7,470)	Adjustment to Grant Award
FY 2004 Fire Programs - Fire		9,914	Adjustment to Grant Award
Bulletproof Vest Program - Police		30,770	Adjustment to Grant Award
Community Corrections Grant - Community Corrections		31,875	Appropriate Grant Award
Respite Program - Human Services		(4,571)	Adjustment to Grant Award
Energy Grant - Human Services		3,314	Adjustment to Grant Award
TANF - Human Services		170,079	Adjustment to Grant Award
Independent Living - Human Services		1,871	Adjustment to Grant Award
Safe and Stable Families - Human Services		(3,831)	Adjustment to Grant Award
Foster Parent Recruiter - Human Services		(3,027)	Adjustment to Grant Award
Rev Max-CSA		151,876	Included in FY 2005 CSA but not as transfer from City/Federal/State Aid Fund
Education Grant - Human Services		4,426	Adjustment to Grant Award
City/Fed/State Aid Fund Expenditure Total		<u>\$367,324</u>	

E-911 SPECIAL REVENUE FUND

Appropriate from Designated Fund Balance-Equipment Replacement funds to purchase and install a generator and HVAC system in Central Virginia Criminal Justice Academy for emergency operation should primary 911 center be evacuated	<u>\$20,515</u>
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FLEET FUND

	96,750	Liquidated damages for fire engines to fund vehicle replacements
	109,545	FY 2005 auction proceeds to fund vehicle replacements
	107,070	Additional funding needed for fuel
	26,867	FY 2004 auction proceeds to fund mower for Grounds
Fleet Fund Expenditure Total	<u>\$340,232</u>	

¹ No related revenue for funding

THIRD QUARTER EXPENDITURE ADJUSTMENTS

Attachment E

	<u>AMOUNT</u>	<u>TOTAL</u>	<u>PURPOSE</u>
CITY CAPITAL PROJECTS FUND			
Street Overlay	250,000		From Reserve for Streets and Bridges
City Capital Projects Fund Expenditure Total		<u>\$250,000</u>	
SCHOOL OPERATING FUND			
	1,500,000		Unexpended Lease/Purchase Proceeds
	40,000		Band Uniforms for E.C. Glass
	50,000		Salary Study
	860,000		Transfer to School Capital/Heritage Athletic Fields
	2,038,411		Undesignated
School Operating Fund Totals		<u>\$4,488,411</u>	
COMPREHENSIVE SERVICES ACT FUND			
	733,860		FY 2004 Additional Expenses
	578,595		FY 2005 Additional Expenses
Comprehensive Services Act Fund Totals		<u>\$1,312,455</u>	
Regional Detention Center Fund		\$75,353	Transfer from General Fund for Worker's Compensation
Solid Waste Fund		\$2,795	Transfer to Fleet Fund for Fuel Purchases
Water Fund		\$6,665	Transfer to Fleet Fund for Fuel Purchases
Sewer Fund		\$7,632	Transfer to Fleet Fund for Fuel Purchases

¹ No related revenue for funding



The City of Lynchburg, Virginia

City
Manager's
Office

TO: City Council

FROM: L. Kimball Payne, III, City Manager *L. Kimball Payne*
Bonnie Svrcek, Deputy City Manager *Bonnie*

SUBJECT: Balancing the FY 2006 Budget

DATE: April 8, 2005

In preparation for your continuing discussions regarding the *Proposed FY 2006 Budget and FY 2006-2010 Capital Improvement Program*, we have attached a spreadsheet that includes the following:

- Updated revenue projections based on the best available information as of April 1, 2005
- Changes to Proposed Expenditures resulting from adjustments due to updated information as well as housekeeping and corrections that need to be made (aka "the list")
- Items that Council members have mentioned for further consideration

Staff is prepared to provide you with any additional information that you may need as you move forward in your budget deliberations.

Thank you.

c: Michael Hill, Director of Financial Services
Donna Witt, Assistant Director of Financial Services

Attachments

Balancing the FY 2006 Budget - April 12, 2005						
GENERAL FUND						
Proposed Revenues and Use of Fund Balance						
Revenues	\$ 133,466,776					
Use of Fund Balance	\$ 3,128,878					
Total Proposed Revenues and Use of Fund Balance	\$ 136,595,654					
Revenue Adjustments						
Non-dedicated Revenue Adjustments						
Current Real Property	\$ 720,844					
Various Other Adjustments: General Property Taxes	\$ 32,439					
Local Sales Tax	\$ 190,660					
Utility Tax: Telephone	\$ 118,631					
Allowance for Uncollectible Business License	\$ (192,363)					
Various Other Adjustments: Other Local Taxes	\$ (43,987)					
Building Permit Fees	\$ (109,021)					
Various Other Adjustments: Permits, Privilege Fees and Licenses	\$ (811)					
Various Other Adjustments: Use of Money and Property	\$ 14,131					
Various Other Adjustments: Charges for Services	\$ 18,500					
ABC Profits	\$ (57,737)					
Wine Taxes	\$ (39,892)					
Various Other Adjustments: State Non-Categorical Aid	\$ 7,500					
Total Non-dedicated revenue adjustments	\$ 658,894					
Dedicated Revenue Adjustments						
Engineering Service Charges	\$ (138,951)					
Various Other Adjustments: Charges for Services	\$ (35,770)					
Various Adjustments: Miscellaneous Revenue	\$ 61,962					
Highway Maintenance	\$ 237,865					
Various Other Adjustments: State Non-Categorical Aid	\$ 1,263					
Social Services Administration Federal Categorical Aid Pass Thru	\$ 108,564					
Human Services Capital Lease	\$ 100,000					

Dedicated Revenue Adjustments (continued)					
Various Other Adjustments: Federal Categorical Aid Pass Thru	\$	10,420			
FY 2006 Revenue Maximization Funds	\$	(151,876)			
Various Other Adjustments: Interfund Transfers	\$	(54,394)			
Total Dedicated Revenue Adjustments	\$	139,083			
Total Revenue Adjustments	\$	797,977			
Total Adjusted Revenues and Fund Balance	\$	137,393,631			
Proposed Expenditures, Reserves and Transfers	\$	136,595,654			
Adjustments (A), Housekeeping (H) and Corrections (C)					
PC Replacements (H)	\$	(150,000)	Need to show expenditure for PC's in the		
			Technology Fund		
Transfer to Technology Fund (H)	\$	150,000	Increase transfer to Technology Fund for		
			PC Replacements		
Comprehensive Service Act Providers (H)	\$	320,000	Reflect local match in General Fund Budget and		
			not Comprehensive Service Act Fund		
Reduce transfer to Comprehensive Service Act Fund (H)	\$	(320,000)	Reflect local match in General Fund Budget and		
			not Comprehensive Service Act Fund		
Fire Department (C)	\$	13,831	Increase staffing by .33 position		
City Manager's Office (C)	\$	480	Telecommunications error		
Blue Ridge Regional Jail Authority (C)	\$	(15,000)	Budgeted \$3.3 m./Jail budgeted \$2.85 m		
Fuel: General Fund (A)	\$	142,000	Increase from \$1.30/gallon to \$1.75/gallon		
Greater Lynchburg Transit Corporation (A)	\$	99,600	Increase from \$1.35/gallon to \$1.80/gallon		
Indigent Hospitalization (C)	\$	(3,093)	Based on notification from Department of		
			Medical Services		
Storm Drainage System Repairs/Replacement (C)	\$	237,865	Funded with additional highway maintenance money		
Total Adjusted Expenditures, Reserves and Transfers	\$	475,683			
Adjusted Expenditures, Revenues and Transfers	\$	137,071,337			
Revised Balance	\$	322,294			

Potential Adjustments (aka "the list")						
Central Virginia Area Agency on Aging	To be determined	\$62,443 requested; \$0 proposed, \$0 in FY 2005				
Legal Aid	To be determined	\$15,000 requested; \$0 proposed; \$0 funded in FY 2005				
Deputy Sheriff (part-time) salary increase						
from \$12.50 to \$15.00	\$ 21,530					
from \$12.50 to \$15.50	\$ 25,836					
from \$12.50 to \$16.00	\$ 30,142					
Old City Cemetery	\$ 6,000	\$86,000 requested; \$80,000 proposed; \$80,000 in FY 2005				
Humane Society	\$ 2,000	Public Information with focus on cat ownership				
Health Benefits	\$ 100,000	Add colonoscopy to benefits				
Street Overlay	To be determined	\$4.115 requested; \$1,264,840 funded; gap = \$2,850,160				
National League of Cities	\$ 3,462	Membership dues with new member discount				
Façade Improvements	To be determined	\$50,000 requested in CDBG funds; \$20,000 approved				
Schools	To be determined					
2 cent reduction in real estate	\$ (770,000)					
1% salary increase for City employees	\$ 507,000	1% recurring and 1% one-time increase funded in Proposed Budget				
SEWER FUND						
Housekeeping and Corrections						
Reduce transfer to General Fund	\$ (44,394)	Revenues reduced in the General Fund				
STADIUM FUND						
Housekeeping and Corrections						
Adjustment to Debt Service	\$ 20,620					
Use of Fund Balance	\$ (20,620)					
ADJUSTMENTS TO OTHER FUNDS FOR FUEL FROM VARIOUS FUNDS FUND BALANCE						
Water Fund	To be determined					
Sewer Fund	To be determined					
Solid Waste Fund	To be determined					
Other Small Funds	To be determined					